



M/023/007

August 24, 2000

Lowell P. Braxton
Director
Department of natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

RE: Certificate of Deposit Balance, Account Number _____ North Lily Mining Company,
Tintic Project, M/023/007, Juab County, Utah

Dear Mr. Braxton:

In Response to your letter dated July 14, 2000, we hereby acknowledge that First Security Bank has released and transferred accumulated interest in excess of \$191,500 account balance, until such time as the Division of Oil, Gas and Mining provides appropriate written instructions and authorization to do otherwise.

We are unable to provide additional quarterly interest statements for North Lily Mining on this account since we do not have a way to do that with our current computer system. Also any further transfers of accrued interest to North Lily Mining Company's supplemental account will need to have a signed withdrawal authorized by the Director of your Department.

If you have questions regarding this account, please contact me or Brenda Peterson at (801) 465-1338.

Sincerely,

Ann Norman
Branch Manager

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DIVISION OF
OIL, GAS AND MINING